

Employer Phone Forum

Telework: Save Money, Improve Productivity, and Clean the Air

Available exclusively to Best Workplaces for CommutersSM, phone forums provide cutting-edge information on a range of topics related to commuter benefits. Moderated by the U.S. Environmental Protection Agency (EPA), these forums feature experts on key topic areas.

On April 21, 2004, Best Workplaces for CommutersSM hosted a phone forum to discuss the process of developing a productive teleworking program. Patrice Thornton, the EPA forum moderator, provided opening remarks and introduced the featured participants.

Featured Participants

Debra McKenzie, LexisNexis

Ms. McKenzie is the senior director of corporate service for LexisNexis and was the original manager of their telework program. The LexisNexis telework program is called "Alternate Work Solutions," and assists people who telework from home part-time, full-time, and those who work virtually from hotels and airports while on business trips.

Ms. McKenzie and her team conducted research on other companies' teleworking programs before designing their own. Their research found several foreseeable benefits and potential concerns. On one hand, a telework program can benefit a company by:

- Reducing operating expenses associated with renting office space.
- Allowing for a better work-life-balance for employees.
- Helping protect the environment.

On the other hand, telework also raises certain concerns:

- Managers fear a loss of control if their staff is not physically present every day and worry that employees who work from home might lose productivity.
- IT staff fears that because computing technology moves at such a rapid rate, it would be difficult to keep home offices up to date.

Ms. McKenzie's research ultimately indicated that the potential gains from telework would offset the problems that it might cause. In 1995, the company began a pilot program, encouraging some employees to work from home. Within a year, they saw a \$6 million savings in operating expenses. By 1996, the program was fully established, and it has been profitable for LexisNexis ever since.

Ms. McKenzie shared lessons that her team has learned from eight years of coordinating a telework program:

- It is important not only to train employees to connect to the office network from home, but also to train managers to direct a team that is not physically present.
- Strong commitment from company executives eases the implementation of telework programs.
- By evaluating an employee's performance, employers can determine if the employee would be a productive teleworker or if the employee should continue to work on-site.
- To ensure that the employee remains productive while working at home, the employer can ask the employee to sign a contract that details working hours and the communications process the employee will use to stay in contact with management.

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Dan McCoy and Scott Ekman, Sun Microsystems

Dan McCoy, commute program manager at Sun Microsystems, described the company's overarching commuter benefits program and explained that Sun Microsystems is interested in telework in two capacities—as an employer looking to improve the work-life balance and productivity of its own employees, and as a provider of networking systems for other employers. Having an established teleworking system for its own employees provides Sun with the experience it needs to support other companies' programs.

Scott Ekman described Sun's I-Work program. It includes teleworking, flexible officing, drop-in centers, and other alternative work environment solutions. Three years ago, Mr. Ekman and his team began preliminary research on telework by investigating other companies' experiences and conducting pilot programs. The research team consisted of members from the finance, tax, legal, and human resources departments. This integrated team found that a telework program would be beneficial to employees and to the company's bottom line.

The team developed a Web-based suitability assessment survey. An employee who wants to telework completes the survey and is informed instantly of the telework arrangement that is most appropriate. The program creates an agreement that must be approved by both the employee and his or her manager, then directs the employee to a checkout page to select the necessary equipment to work from home.

Mr. Ekman found that management resistance is one of the main barriers to implementing a telework program. Many employees prefer to work from home, but managers worry that if employees are not present in the office, team cohesion will suffer. He explained that the program's coordinators make

efforts to strike a balance between employees' and managers' preferences.

Currently, about 3,000 Sun employees participate in the I-Work program, including employees in Canada and 10 European countries. He reported that employees participating in the I-Work program—as well as managers of employees in the program—are very satisfied with their work arrangement. Employees also report a 34 percent increase in productivity and increased job satisfaction. Managers are pleased that employee absenteeism is lower and that the cost of maintaining an employees' home office is just one tenth the cost of maintaining an on-site office.

Doris Pudlo, AstraZeneca

Doris Pudlo, transportation coordinator for AstraZeneca, described the formation of the company's telework program. In 2000, Astra and Zeneca merged. Astra's headquarters had been in Pennsylvania, but the new company headquarters were located in Delaware. Employees who had previously worked at the Pennsylvania site faced an hour added to their commute each way. To avoid losing talent, management began to investigate ways to make the commute more bearable. They ultimately incorporated a telework program into their commuter benefits.

Ms. Pudlo explained that AstraZeneca's management promotes teleworking for several reasons. First, they don't want to lose their Pennsylvania employees to other companies. Second, because their office is in Delaware, they are subject to Delaware's traffic mitigation laws. State law requires that 15 percent of their employees must not arrive at work in a single occupant vehicle. AstraZeneca's teleworking program helps the company meet that mandate. Finally, the

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program helps improve upon employees' work-life balance. Eliminating a two-hour commute each day allows employees to spend more time with their families.

Ms. Pudlo made it clear that both managers and employees need to have an understanding of their responsibilities as participants in a telework program. Their agreements are made in writing and are signed by everyone involved. Employees and managers both receive training on effective teleworking. As a result, AstraZeneca has very few problems with employees being unproductive while at home or with managers not being able to direct their teams effectively.

Over 600 employees participate in AstraZeneca's telework program. Ms. Pudlo explained that the program has saved the company significant amounts of time and money by allowing it to keep its Pennsylvania employees instead of having to hire and train new employees. Finally, Ms. Pudlo reported that AstraZeneca's teleworking employees are happy and productive.

Open Discussion

Lou Gomes, from Bay Area Commuter Services, asked Ms. McKenzie how difficult it was for her to secure upper management support for a telework program. Ms. McKenzie explained that while she was in the process of proposing a telework program, her company was acquired and the management team changed. The old management had been slow to approve the program, but the new management saw her team's research and approved the program almost immediately. She attributed the difference in receptiveness to the two managements' differences in process. Under the old management, a nearly unanimous body had to approve a plan before it could be implemented. Now, a few influential proponents can

jump-start an initiative.

Conclusion

At the end of the discussion, Ms. Thornton encouraged everyone to visit <www.bwc.gov>, the Best Workplaces for CommutersSM Web site. She indicated that a summary of the forum will be posted to the Web site. Employers who have questions or feedback for EPA, including ideas for upcoming phone forums, can contact EPA via e-mail at <bwc@epa.gov>. Contact information for the featured speakers is listed below:

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